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If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

**SCHEDULE N
(Form 1120)**

Department of the Treasury
Internal Revenue Service

Name

Foreign Operations of U.S. Corporations

▶ Attach to Form 1120, 1120-IC-DISC, 1120-L,
1120-PC, 1120-REIT, 1120-RIC, or 1120S.

OMB No. 1545-0123

2003

Employer identification number (EIN)

Foreign Operations Information

	Yes	No
1 During the tax year, did the corporation own any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each such entity.		
2 Enter the number of Forms 8865 , Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to the corporation's income tax return ▶		
3 Excluding any partnership for which a Form 8865 is attached to the tax return, did the corporation own at least a 10% interest, directly or indirectly, in any other foreign partnership (including an entity treated as a foreign partnership under Regulations section 301.7701-2 or 301.7701-3)? If "Yes," see instructions for required attachment.		
4a Was the corporation a U.S. shareholder of any controlled foreign corporation (CFC)? (See sections 951 and 957.) If "Yes," attach Form 5471 , Information Return of U.S. Persons With Respect to Certain Foreign Corporations, for each CFC.		
b Enter the number of Forms 5471 attached to the tax return ▶		
5 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the corporation may have to file Form 3520 , Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts.		
6a At any time during the 2003 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.		
b If "Yes," enter the name of the foreign country ▶		
7a Is the corporation claiming the extraterritorial income exclusion? If "Yes," attach a separate Form 8873 , Extraterritorial Income Exclusion, for each transaction or group of transactions.		
b Enter the number of Forms 8873 attached to the tax return ▶		
c Enter the total of the amounts from line 52 (extraterritorial income exclusion (net of disallowed deductions) of all Forms 8873 attached to the tax return. ▶ \$		

Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Who Must File

Corporations that, at any time during the tax year, had assets in or operated a business in a foreign country or a U.S. possession may have to file Schedule N. If the corporation answers "Yes" to any of the questions above, attach Schedule N and the applicable forms and schedules to the corporation's income tax return.

Question 3

If the corporation owned at least a 10% interest, directly or indirectly, in any foreign partnership (other than any partnership for which a Form 8865 is attached to the tax return), attach a statement listing the following information for each foreign partnership. For this purpose, a foreign partnership includes an entity treated as a foreign partnership under Regulations section 301.7701-2 or 301.7701-3.

1. Name and EIN (if any) of the foreign partnership.